## Declaration of Thadeus Jay Nelson On behalf of No Cost Conference, Inc.

- I, Thadeus Jay Nelson, declare under oath and state as follows:
- 1. I am the founder and CEO of No Cost Conference ("NCC"), a California corporation.
- 2. Since its founding, NCC has provided free conference calling services to the public, including many religious and ethnic minority communities. NCC has obtained virtually all of its revenues as a result of a revenue sharing arrangements with competitive local exchange carriers ("CLECs").
- 3. After the FCC's 2011 Connect America Fund Order, NCC experienced a significant decline in the amount of revenues CLECs were able to offer NCC for siting NCC's traffic in their respective exchanges. However, NCC has been able to continue providing its services to the benefit of millions of Americans who otherwise would not be able to take advantage of free conference calls by concentrating its traffic in lowa where the FCC's 2011 reforms yielded higher access stimulation rates than in many other parts of the country.
- 4. Based on my review of NCC's financial information for the year to date, NCC is currently a profitable company.
- 5. Based on my review of financial information for the year to date, if the FCC adopts the draft *Report and Order and Modification of Section 214 Authorizations* that it released on September 5, 2019, in WC Docket No. 18-155, *In the Matter of Updating the Intercarrier Compensation Regime to Eliminate Access Arbitrage* (the "Draft Order"), NCC is likely to immediately become unprofitable because the CLECs it obtains services from will lack any revenues to continue sharing with NCC. Moreover, those CLECs may attempt to pass on the expense of tandem switching and tandem transport to NCC, though NCC would have no revenues with which to pay for those services.

- 6. In short, NCC cannot absorb both the loss of income and the expense of providing tandem switching and transport for the benefit of the IXCs. As such, NCC will have no choice but to either discontinue its business or seek to relocate its traffic to larger LECs with higher originating traffic volumes so that those LECs can continue to bill and share access revenues with NCC.
- 7. I am also deeply concerned that the CLEC I currently work with may feel compelled to immediately terminate the delivery of all traffic to NCC in order to mitigate the impact of the new rules, which would be highly disruptive to the many consumers that rely on these services. Implementing the new rules in a period of 45 days provides no opportunity for NCC to develop and execute a reasonable transition plan.
- 8. I also do not agree with the assumption in the Draft Order that service providers like NCC can simply start charging for our conferencing services. Millions of American consumers have grown to rely on these services because they permit consumers to utilize the long-distance plans that they already pay for. Forcing these consumers to incur additional costs for conferencing, in the absence of any price reduction on their long-distance plan, simply imposes an added burden on consumers that I do not expect them to accept. Further, because NCC's business (and its name) is built on providing a "no cost" service, if consumers are suddenly informed that this service now requires a payment, they may conclude that NCC has engaged in a "bait and switch" and subject NCC to claims of deceptive business practices. In short, if the Commission proceeds with implementing its new rules within a 45-day period, I expect that my business will be irreparably harmed.

I declare under the penalty of perjury that the foregoing is truthful and correct to the best of my knowledge, information, and belief.

Dated: September 17, 2019

Thadeus Jay Nelson

## Declaration of Matthew Alan Bathke On behalf of Sipmeeting, LLC

- I, Matthew Bathke, declare under oath and state as follows:
- 1. I am a Managing Member of Sipmeeting, LLC (Sipmeeting), an Iowa corporation.
- 2. Since its founding, Sipmeeting has provided free conference calling, voicemail, and chatline services to the public, including to many ethnic minority and disabled communities. Sipmeeting obtains virtually all of its revenues as a result of revenue sharing arrangements with competitive local exchange carriers ("CLECs").
- 3. After the FCC's 2011 Connect America Fund Order, Sipmeeting experienced a significant decline in the amount of revenues CLECs were able to offer Sipmeeting for siting its traffic in their respective exchanges. However, Sipmeeting has been able to continue providing its services to the benefit of millions of Americans who otherwise would not be able to take advantage of free conference calls, voicemail, and chat services.
- 4. Based on my review of Sipmeeting's financial information for the year to date, Sipmeeting is currently a profitable company.
- 5. Based on my review of financial information for the year to date, if the FCC adopts the draft *Report and Order and Modification of Section 214 Authorizations* that it released on September 5, 2019, in WC Docket No. 18-155, *In the Matter of Updating the Intercarrier Compensation Regime to Eliminate Access Arbitrage* (the "Draft Order"), Sipmeeting is likely to immediately become unprofitable because the CLECs it obtains services from will lack any revenues to continue sharing with Sipmeeting. Moreover, those CLECs may attempt to pass on the expense of tandem switching and tandem transport to Sipmeeting, though Sipmeeting would have no revenues with which to pay for those services.
- 6. In short, Sipmeeting cannot absorb both the loss of income and the expense of providing tandem switching and transport for the benefit of the IXCs. As such, Sipmeeting will

have no choice but to either discontinue its business or seek to relocate its traffic to larger LECs with higher originating traffic volumes so that those LECs can continue to bill and share access revenues with Sipmeeting.

- 7. I am also deeply concerned that one or more of the CLECs that I work with will feel compelled to immediately terminate the delivery of all traffic to Sipmeeting in order to mitigate the impact of the new rules, which would be highly disruptive to the many consumers that rely on these services. Implementing the new rules in a period of 45 days provides no opportunity for Sipmeeting to develop and execute a reasonable transition plan.
- 8. I also do not agree with the assumption in the Draft Order that service providers like Sipmeeting can simply start charging for our conferencing services. Millions of American consumers have grown to rely on these services because they permit consumers to utilize the long-distance plans that they already pay for. Many of the users of Sipmeeting's conferencing, voicemail, and chat services are on fixed incomes, such as Social Security Disability, and may find even a minimal fee for these services to be overly burdensome due to their limited budget.
- 9. Accordingly, forcing these consumers to incur additional costs for conferencing, particularly in the absence of any price reductions on their long-distance service, imposes an added burden particularly on poor consumers that already struggle to pay for their unlimited long distance plans. Further, I fear that because Sipmeeting's business has been lawfully built on providing a "no cost" service, if consumers are now suddenly informed that this service now requires a payment, they may conclude that Sipmeeting has engaged in a "bait and switch." I am concerned that consumers will not stop using the services because they do not find sufficient value in the services, but instead because of the consumer confusion that will be created by the Commission's order. In short, if the Commission proceeds with implementing its new rules within a 45-day period, I expect that my business will be irreparably harmed.

I declare under the penalty of perjury that the foregoing is truthful and correct to the best of my knowledge, information, and belief.

Dated: September 18, 2019

Matthew Alan Bathke

## Declaration of John J. Haas On behalf of Total Bridge, Inc.

- I, John Hass, declare under oath and state as follows:
- 1. I am the Secretary and Director of Total Bridge, Inc. (Total Bridge), an Iowa corporation.
- 2. Since its founding, Total Bridge has provided free conference calling services to the public as well as providing conference calling hardware and software platforms for other companies to provide similar services. Groups utilizing the conferencing services provided directly and indirectly by Total Bridge include many religious, ethnic minority, and disabled communities, as well as small businesses, and nonprofit organizations. Total Bridge obtains virtually all of its revenues as a result of revenue sharing arrangements with competitive local exchange carriers ("CLECs").
- 3. After the FCC's 2011 Connect America Fund Order, Total Bridge experienced a significant decline in the amount of revenues CLECs were able to offer Total Bridge for siting its traffic in their respective exchanges. However, Total Bridge has been able to continue providing its services to the benefit of American consumers who otherwise would not be able to take advantage of free conference calls.
- Based on my review of Total Bridge's financial information for the year to date,
   Total Bridge is currently a profitable company.
- 5. Based on my review of financial information for the year to date, if the FCC adopts the draft *Report and Order and Modification of Section 214 Authorizations* that it released on September 5, 2019, in WC Docket No. 18-155, *In the Matter of Updating the Intercarrier Compensation Regime to Eliminate Access Arbitrage* (the "Draft Order"), Total Bridge is likely to immediately become unprofitable because the CLECs it obtains services from will lack any revenues to continue sharing with Total Bridge. Moreover, those CLECs may

attempt to pass on the expense of tandem switching and tandem transport to Total Bridge, though Total Bridge would have no revenues with which to pay for those services.

- 6. In short, Total Bridge cannot absorb both the loss of income and the expense of providing tandem switching and transport for the benefit of the IXCs. As such, Total Bridge will have no choice but to either discontinue its business or seek to relocate its traffic to larger LECs with higher originating traffic volumes so that those LECs can continue to bill and share access revenues with Total Bridge.
- 7. I am also deeply concerned that delivery of traffic to Total Bridge may be disrupted because of the significant financial consequences LECs will experience if they continue to deliver our traffic. Implementing the new rules in a period of 45 days provides no opportunity for Total Bridge to develop and execute a reasonable transition plan.
- 8. I also do not agree with the assumption in the Draft Order that service providers like Total Bridge can simply start charging for our conferencing services. Millions of American consumers have grown to rely on free conference services. They are popular specifically because they enable those consumers, including nonprofits, religious institutions, and small businesses to use the long-distance plans that they already pay for, rather than incurring additional fees. They are also popular because each user pays their own way, rather than requiring a host to pay per-person fees for each participant.
- 9. In the absence of any price reduction on their long-distance plan, consumers will simply be asked to pay more to receive the same service they have long enjoyed for free. I do not expect consumers and businesses to seamlessly transition from a free to a paid service, nor is 45-days sufficient for me to relocate all of our services to a more urban area so that we can continue providing the service for free. As such, I anticipate a high likelihood that calls will fail and consumers will blame Total Bridge for this outcome. As I know from experience, any disruption of a conference call can be extremely frustrating and ultimately harmful to businesses

utilizing the service. Therefore, even the slightest disruption can cause Total Bridge to lose customers. Therefore, if the Commission proceeds with implementing its new rules within a 45-day period, I expect that my business will be irreparably harmed.

I declare under the penalty of perjury that the foregoing is truthful and correct to the best of my knowledge, information, and belief.

Dated: September 18, 2019

John J. Hass